

Initiative Measure No. 1497

filed March 3, 2016

BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: I-3199.1/16

ATTY/TYPIST: KS:amh

BRIEF DESCRIPTION:

AN ACT Relating to periodic review of state spending programs; and adding a new chapter to Title 43 RCW.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec. 1.** This act may be known and cited as the SMART act.

NEW SECTION. **Sec. 2.** (1)(a) Except as otherwise provided in this section, every new statutory state spending program shall include an expiration date that is no more than ten years from the effective date of the spending program.

(b) A future amendment that modifies or expands a statutory state spending program does not extend the statutory state spending program beyond the period provided in this subsection unless an extension is expressly and unambiguously stated in the amendment.

(2) For the purposes of this chapter, "new statutory state spending program" means a state statute that:

(a) After January 1, 2017, establishes a new state expenditure program, establishes a new state agency or department, expands a state entitlement program, or establishes a new or expanded distribution of state revenues to political subdivisions of the state or other entities; and

(b) Is projected to result in increased state expenditures in excess of one million dollars in state funds in the program's first full fiscal biennium of implementation, and is not self-supported by fees.

NEW SECTION. **Sec. 3.** (1) As provided in this section, every bill enacting a new statutory state spending program must include a state spending performance statement.

(2) A state spending performance statement must state the legislative purpose for the new state spending program. In addition to identifying the general legislative purpose of the state

spending, the state spending performance statement must provide additional detailed information regarding the legislative purpose of the new state spending.

(3) A state spending performance statement must specify clear, relevant, and ascertainable metrics and data requirements that allow the joint legislative audit and review committee and the legislature to measure the effectiveness of the new state spending program in achieving the purpose designated under subsection (2) of this section.

NEW SECTION. **Sec. 4.** (1) The joint legislative audit and review committee must review new statutory state spending programs according to a schedule developed by the committee. The committee must consider, but not be limited to, the following factors in the review as relevant to each particular new statutory state spending program:

(a) Public policy objectives that might provide a justification for the new statutory state spending program, including but not limited to the state spending performance statement under section 3 of this act, the legislative history, and any legislative intent;

(b) Evidence that the existence of the new statutory state spending program has contributed to the achievement of any of the public policy objectives;

(c) The extent to which continuation of the new statutory state spending program might contribute to any of the public policy objectives;

(d) The extent to which the new statutory state spending program may provide unintended benefits to an individual, organization, or industry other than those the legislature intended;

(e) The feasibility of modifying the new statutory state spending program to better achieve the intended objectives; and

(f) Fiscal impacts of the new statutory state spending program, including past impacts and expected future impacts if it is continued.

(2) For each new statutory state spending program, the committee must provide a recommendation to the fiscal committees of the legislature as to whether the new statutory state spending program should be continued without modification, modified, scheduled for sunset review at a future date, or terminated immediately. If the committee determines that the new statutory state spending program does not achieve the ascertainable metrics specified in the state spending performance statement under section 3 of this act, the committee shall recommend termination of the program. The committee may recommend accountability standards for the future review of a new statutory state spending program.

(3) If a new statutory state spending program does not include the information required under section 3 of this act, the joint legislative audit and review committee is not required to perform a review under this section, and it is legislatively presumed that it is the intent of the legislature to allow the new statutory state spending program to expire on its scheduled expiration date.

NEW SECTION. **Sec. 5.** Sections 2 through 4 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. **Sec. 6.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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